

The complaint

Mr K has complained that Experian Limited recorded someone else's information on his credit file.

What happened

In late 2022, a county court judgement (CCJ) was added to Mr K's credit file. The CCJ had been registered against someone with the same name and same address as Mr K, and the court had not included the date of birth in the information they reported. So it ended up on Mr K's credit file in error.

Mr K reported this to Experian and provided identity documents to show he was not the person the CCJ was against. Experian explained what had gone wrong and removed the CCJ. They offered Mr K £150 compensation.

However, in the meantime, Mr K's credit card provider reduced his credit limit from about £17,000 to £150. Mr K explained this was because of the CCJ.

Mr K expressed his shock and anxiety at finding the CCJ. He felt that he'd lost his entire financial reputation. He asked for £17,000 compensation, an apology, for Experian to change their processes, for his former credit limit to be reinstated, and for a guarantee that Experian would never make such a mistake again.

Our investigator looked into things independently and recommended that Experian pay Mr K £250 compensation in total. Mr K didn't agree, so the complaint's been passed to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I understand that Mr K found it distressing to discover someone else's CCJ on his credit file, and I can certainly appreciate why he might be anxious to make sure this has been resolved.

I've looked at Mr K's full credit file, and I can assure him the CCJ has indeed been removed.

I've also thought carefully about what Experian are responsible for and what they should do to put things right.

First, I should explain that the issue stemmed from the court not adding the date of birth to the CCJ. Then the name and address were an exact match for Mr K, and at that point there was no data which indicated it *wasn't* Mr K's CCJ. So I can see how it ended up being added to Mr K's file. Of course, this was an error. But the point is that I don't think this was solely caused by Experian mishandling things.

Next, I've taken into account that Experian acted quickly to get the information they needed from Mr K and remove the CCJ. So it wasn't on his file very long.

While I can completely understand Mr K's anxiety about the situation, I hope I can reassure him that the CCJ is gone from his credit file. So his credit score has not been ruined, nor has his financial reputation been destroyed.

I'm sorry to hear about what happened with Mr K's credit card and its credit limit. I do need to explain, though, that this does not appear to have been caused by Experian. From what I can see, Mr K's credit card provider didn't actually look at his Experian credit file before reducing his limit. They only looked at his Experian file on 10 October 2022 – *after* they'd already reduced his limit. They may have reduced his credit limit because of information from one of the other credit reference agencies – Equifax or TransUnion. Mr K may wish to check his Equifax and TransUnion credit files, to make sure they didn't make a similar mistake with the CCJ, and to check if there's any other negative data on those files.

With that said, even if I accept that Experian caused Mr K's credit limit to get reduced, I should also explain that Experian cannot make the credit card company put the old limit back. It was the credit card company's decision to change the limit, not Experian's. And since this complaint is about Experian, not the credit card company, I cannot tell the credit card company to change any limit in this decision. What I will do is ask Experian to give Mr K a letter explaining that the CCJ was not his, that it was added in error, and that any lending decisions based on it may need to be reviewed. Mr K can then provide this to his credit card company, and ask if they'll review his limit – hopefully this will help. But if the credit card company still refuse to change Mr K's credit limit, then he may wish to make a separate complaint to the credit card company and then bring that to us as a separate case if needed, and then we'll be in a better position to help with that.

I also cannot make Experian change their processes or change the way they work across the board. We're here to resolve individual cases informally – we're not the regulator. That's the Financial Conduct Authority (FCA). And I cannot guarantee that Experian will never make a similar mistake with anyone else ever again. Companies are staffed by people, and people do sometimes make mistakes. The main thing is that when a business gets things wrong, we expect them to put it right.

In terms of putting things right, I do understand why Mr K would like an apology. The problem is that if I were to make Experian apologise, it would seem forced rather than genuine – they'd be saying sorry because I told them to. Further, I can see that Experian have already apologised multiple times, and this clearly hasn't repaired their relationship with Mr K. So I don't think another apology is likely to help.

Instead of apologies, we often tell businesses to pay compensation, to recognise what they got wrong and the impact it had. When it comes to the amounts, it's worth bearing in mind that we're not the FCA and aren't here to issue fines or to punish businesses.

Here, I understand that this was distressing for Mr K, that it caused him some real worry, and that he's had to put effort into sorting this out. I've also taken into account how much of this Experian are responsible for in particular, and the speed in which they fixed the problem. We have guidelines about what levels of compensation to award, and I need to be consistent with those. Taking everything into account, I think £250 compensation is fair to put right what Experian got wrong.

Putting things right

I direct Experian Limited to:

- Provide Mr K with a letter stating that this CCJ was not Mr K's, that it was on his Experian credit file for a time in error, and that any lending decisions made during that time may have been based on inaccurate information.
- Pay Mr K £250 compensation.

My final decision

For the reasons I've explained, I uphold Mr K's complaint in part, and direct Experian Limited to put things right in the way I set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 7 March 2023.

Adam Charles
Ombudsman